

CITY OF SACRAMENTO  
CALIFORNIA

OFFICE OF THE  
CITY MANAGER

December 1, 1981

CITY HALL  
915 I STREET - 95814  
(916) 449-5704

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: Stoddard Annexation (Reorganization) to the City of Sacramento

SUMMARY

This letter recommends amendment to the current agreement between the City and the County relative to the tax distribution made under AB 8 to allow this annexation to proceed immediately. The immediacy of the situation is caused by the fact that the owners of the property must have the annexation completed prior to the receipt of a HUD loan to build privately-owned moderate income apartments. The Local Agency Formation Commission must act on the matter tomorrow, December 2, 1981.

BACKGROUND

The Department of Housing and Urban Development is requesting proposals for 9 3/4% subsidized interest loans for new projects within city limits. The Stoddard property is adjacent to the City Limits but the developer will be unable to keep his rents within the moderate income range if he has to pay market interest rates on his mortgages. He is therefore requesting that the property on which he intends to build be annexed to the City to satisfy HUD requirements.

The property may be easily serviced by the City and would create no inconvenience to City departments.

A detailed analysis of the proposal is included in the attached LAFCO report.

FINANCIAL DATA

Neither this annexation nor the amendment to the interim agreement with the County will have any significant financial impact on the City.

APPROVED  
BY THE CITY COUNCIL

DEC 1 1981

OFFICE OF THE  
CITY CLERK

RECOMMENDATION

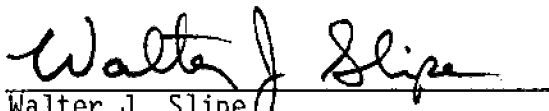
It is recommended that the Mayor be authorized to execute the attached resolution amending the interim AB 8 Agreement with the County.

Respectfully submitted,



Mac Mailes  
Assistant City Manager/  
Community Development

Recommendation Approved:



Walter J. Slipe  
City Manager

Attachments

RESOLUTION NO. ~~810~~ 81-894

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

December 1, 1981

RESOLUTION APPROVING INTERIM AGREEMENT WITH COUNTY RELATING TO DIVISION OF PROPERTY TAX REVENUES FOR STODDARD REORGANIZATION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO that:

The interim agreement between the City of Sacramento and the County of Sacramento relating to the division of property tax revenues for the Stoddard Reorganization is hereby approved, and the Mayor and City Clerk are authorized and directed to sign said agreement on behalf of the City of Sacramento.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED  
BY THE CITY COUNCIL  
DEC 1 1981  
OFFICE OF THE  
CITY CLERK

3:30 PM

11-B

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SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Commission

Public Members

Frank B. Stimson, Commission Chairman  
Barbara W. Pennington, Alternate

City Members

Ronald Jacobsen, Commission Vice Chairman  
Blaine Fisher  
George E. "Bud" Hannaford, Alternate

County Members

C. Tobias Johnson  
Bill Bryan  
Illa Collin, Alternate

Special District Members

N. B. "Dave" Keller  
Albert Dehr  
Edd Smith, Alternate  
Jesse Marks, Alternate

November 14, 1981

TO: Sacramento Local Agency Formation Commission  
FROM: John S. Farrell, Executive Officer  
SUBJECT: STODDARD REORGANIZATION: Annexation to the City of Sacramento and Detachment from Pacific Fire District and County Service Area 4A

Staff

John S. Farrell  
Executive Officer  
Janet D. Robinson  
Assistant Executive Officer  
Marilyn Ann Flemmer  
Commission Clerk

Abstract of Proposal

The landowners, Richard and Barbara Stoddard, Ronald and Vickie Stoddard, Donna Stoddard, and Ronald and Janet Buhler, have petitioned the Sacramento Local Agency Formation Commission to initiate the proceedings for the annexation of certain described uninhabited territory to the City of Sacramento and detachment from County Service Area 4A (park and recreation district) and the Pacific Fire District. The enabling legislation for such action is contained in the Knox Nisbet Act and the District Reorganization Act.

Analysis of Proposal

Pursuant to the law, the following factors and considerations have been analyzed in the review of this proposal:

Description of Area

The area proposed for annexation to the City of Sacramento is uninhabited within the definition of Government Code Section 56045 (fewer than 12 registered voters). The subject area consists of three lots, one of which has already been developed with an 88-unit apartment complex. The other two parcels are vacant. The owners plan to build apartment complexes on each of these lots as well.

There are now, according to County Planning Department calculations, approximately 176 residents and, according to the Registrar of Voters, only 2 registered voters in the subject area (all residing on the one developed parcel). Therefore, the subject

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territory is considered "uninhabited" and may be annexed without notice, hearing or election.

The County Planning Department estimates the projected ten year population at 528 when all phases of the apartment complex are complete.

The subject area consists of 14.02 acres in an RD-20 zone (multiple family residential--20 units per acre). The County General Plan use classification is MDR (Medium Density Residential).

The assessed valuation of the parcels involved in this reorganization is \$882,500. Each vacant parcel is valued at \$127,500 and the developed parcel is valued at \$627,600. The total amount of property tax generated by the subject territory is \$6,151.

#### Need for Proposal

The petitioners have initiated this reorganization because they wish to receive City services and intend to develop the vacant parcels. The chief petitioner, Mr. Richard Stoddard, originally requested that the two vacant parcels be annexed to the City but recently modified his proposal to include all three parcels. (See map.)

The primary reason for annexing the territory is so that the proponents may secure a low interest FHA loan to develop the two vacant parcels. The current Federal Housing Bill contains a provision for 9 3/4% subsidized interest loans for new projects within city limits. Firm commitments for the loans will be issued by FHA around December 15, 1981. The annexation of the Stoddard property must be well underway by that date, and the loan will not be issued until the property is finally annexed to the City of Sacramento.

The parcels are within the maximum service area of the City of Sacramento and the City is capable of providing services.

The property owners of the subject territory are unanimously in favor of the proposal.

#### Effects of the Proposal on the Subject Area and the Annexing Agency

The City may benefit from this annexation by the future receipt of property taxes and development fees, however, the City will also have the financial burden of providing municipal services to the subject property.

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If the parcels remain within their current jurisdictions, they would continue to be served by Pacific Fire District, Fruitridge Vista Water Company, and CSA 4A. The Fire District Chief recently corresponded with the Fruitridge Vista Water Company on the subject of fire flow. "The required fire flow established by the Pacific Fire District is 2000 gallons per minute. However, during flow tests recently conducted, we find the available water to be 1600 gallons per minute . . . . Allowing additional developments to draw on this system would only reduce fire flows further and make the system totally unacceptable."

Therefore, your staff concludes that the subject property would benefit from an improved ISO rating (2 in the City as opposed to 5 in the Pacific Fire District, the lower rating is preferable) and better fire flow upon annexation to the City of Sacramento.

Effect of the Proposal on Adjacent Areas and Detaching Districts

The Pacific Fire Protection District has sent a letter of protest to LAFCo stating that the official position of the District Board is to formally protest the Stoddard Reorganization proposal. The letter states, in part:

Fiscally, the District has stabilized at a level of service which provides a high level of emergency fire and medical services. Detachment of the proposed territory would not only impact the remaining territory, but would also reduce the level of emergency service to the occupants within the proposed territory. Fire protection would be increased from approximately a two minute to an estimated 10-12 minute response time.

The City of Sacramento Deputy Chief Powell stated that response time would be just under four minutes for the subject property should the nearest City station (Station 10) respond. This station is two miles from the Stoddard property. The nearest Pacific Fire District station is just under a mile from the property. Mutual aid agreements between the City and the surrounding districts guarantee that the closest station will respond in case of an emergency.

The Fire District Board also bases its protest on the (mistaken assertion that the subject territory is technically inhabited with more than 12 registered voters. Our office contacted Chief Smith of the Pacific Fire District, who later indicated that fire flow would be adequate when all stages of the development are complete.

The County Service Area 4A Advisory Committee also opposes the Stoddard Reorganization.

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Letters from CSA 4A, Pacific Fire District and Fruitridge Vista Water Company are attached to this staff report.

#### Environmental Review

An initial environmental review indicates that the project will not have a significant effect on the environment. "The proposed project involves changes in the organization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. This reorganization is exempt from the provisions of the California Environmental Quality Act under Section 15120, Class 20."

#### Boundary Review

The definiteness and certainty of the boundaries of the territory in question have been reviewed by the County Surveyor and he has found that they do not: (1) split lines of assessment or ownership; or, (2) create islands or corridors of unincorporated territory.

#### Conformity with the County General Plan and LAFCo Policy

This change of organization and the prospective land uses are consistent with the County General Plan and the local community plan. The vacant property in question should be pre-zoned R-2B (City Garden Apartment Zone) by the City Council on December 1, 1981. The developed parcel will be rezoned after annexation to conform with the City zoning ordinance.

Your staff believes that a prezone on this parcel would serve no purpose since it is already developed. Your Commission waived prezone requirements on two other annexation proposals (Raney and Zubiri) when you were reasonably sure of the nature of the future development on these parcels.

The property in question is situated within the "Fruitridge Pocket" and lies within the City of Sacramento's Sphere of Influence. Your staff is encouraged by each individual step that is taken to fill in this narrow peninsula of unincorporated territory. According to the City of Sacramento Sphere of Influence, annexation to the City of Sacramento is appropriate in this particular area.

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AB 8 Negotiations

On December 1, 1981, the City Council will consider the Stoddard property prezone and the AB 8 property tax exchange interim agreement. The Sacramento County Board of Supervisors has already adopted the interim agreement.

If the Council fails to adopt these proposals, your staff will notify your Commission and you may direct that the hearing on the Stoddard proposal be continued until the City Council acts on the interim agreement, or you may request that the proposal be withdrawn. LAFCo may not consider any change of organization or reorganization without an adopted AB 8 property tax exchange agreement.

Executive Officer's Comments

LAFCo currently has several City annexation proposals pending. Each one requests annexation of territory to the City of Sacramento and the territory, in each case, lies within the adopted Sphere of Influence of the City. Critics of the proposals (often special districts which will be detached from the subject territory) invariably protest that these proposals represent "small, piecemeal," and "illogical" annexations to the City and, as such, are inappropriate.

While your staff would encourage large scale, coordinated, well planned annexations and reorganizations, none are forthcoming. The Sacramento City Council, the Galt City Council and the County Board of Supervisors have all gone on record to support only petitions or special district initiated changes of organization. The City of Sacramento has stated that it will not annex any property to the City without property owner or resident consent. This policy precludes any larger scale "logical" reorganization from happening.

Your Commission has fulfilled its legislative mandate by adopting a Sphere of Influence for the City of Sacramento. This document sets forth annexation guidelines and designates areas that are appropriate for annexation to the City of Sacramento. Slow filling of unincorporated islands and peninsulas by small scale annexation is an acceptable, and sometimes necessary, method of cleaning up irregular boundaries and fulfilling the LAFCo mandate. Your Commission approved of this concept when it adopted the Russell Annexation to the City of Galt, thereby creating a peninsula of unincorporated territory, but filling in an area designated as within Galt's ultimate service area and Sphere of Influence.



The City of Cupertino, for example, has pursued a policy of filling in islands of unincorporated territory in a piecemeal fashion because it responds only to requests for annexation by the property owners themselves. Cupertino even persuaded the State to pass special legislation to allow the City and LAFCo to approve "cherry stem" annexations as long as they contribute to the gradual infilling of Cupertino's many unincorporated islands.

Small annexations are not necessarily uncoordinated or in violation of LAFCo policy. These annexations make sense when they are part of a larger plan, and your Commission has adopted such a plan: The City of Sacramento Sphere of Influence.

#### Conducting Authority

In 1976 the State Legislature amended the District Reorganization Act to allow LAFCo's to designate an affected city as the conducting authority in a reorganization involving a city annexation. For the past several years, your Commission has sent reorganization proposals involving the City of Sacramento to the City Council as the "conducting authority."

Recently, the City of Sacramento has delayed the completion of proceedings for some proposals. The Raney Reorganization has never been acted upon. Although an interim AB 8 agreement was adopted, the City at one time felt it was necessary to wait until a master agreement had been reached before processing the final stages of annexation. However, the City did approve the Zubiri annexation which was subject to an interim AB 8 agreement. The Bruceville Road annexation has also suffered delays, primarily because of problems with the creation of an assessment district in the subject territory.

Your Commission is faced with a policy decision: Is the County Board of Supervisors more likely to comply with the requirements of the conducting authority set forth in the District Reorganization Act? And if so, does your Commission wish to designate the Board of Supervisors as the conducting authority in the Stoddard Reorganization?

#### Recommendations

All of the legally required documents are in order. It is, therefore, my recommendation that your Commission:

1. Approve the Stoddard Reorganization.  
(Annexation to the City of Sacramento and detachment from CSA 4A and Pacific Fire District.)

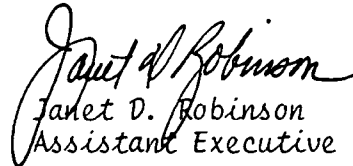
2. Authorize the City of Sacramento or the County Board of Supervisors to conduct reorganization proceedings without notice, hearing or election.
3. Authorize the City of Sacramento to impose whatever fees may be appropriate.
4. Authorize your Chairman to sign the resolution making these determinations.

Respectfully submitted,

SACRAMENTO LOCAL AGENCY  
FORMATION COMMISSION



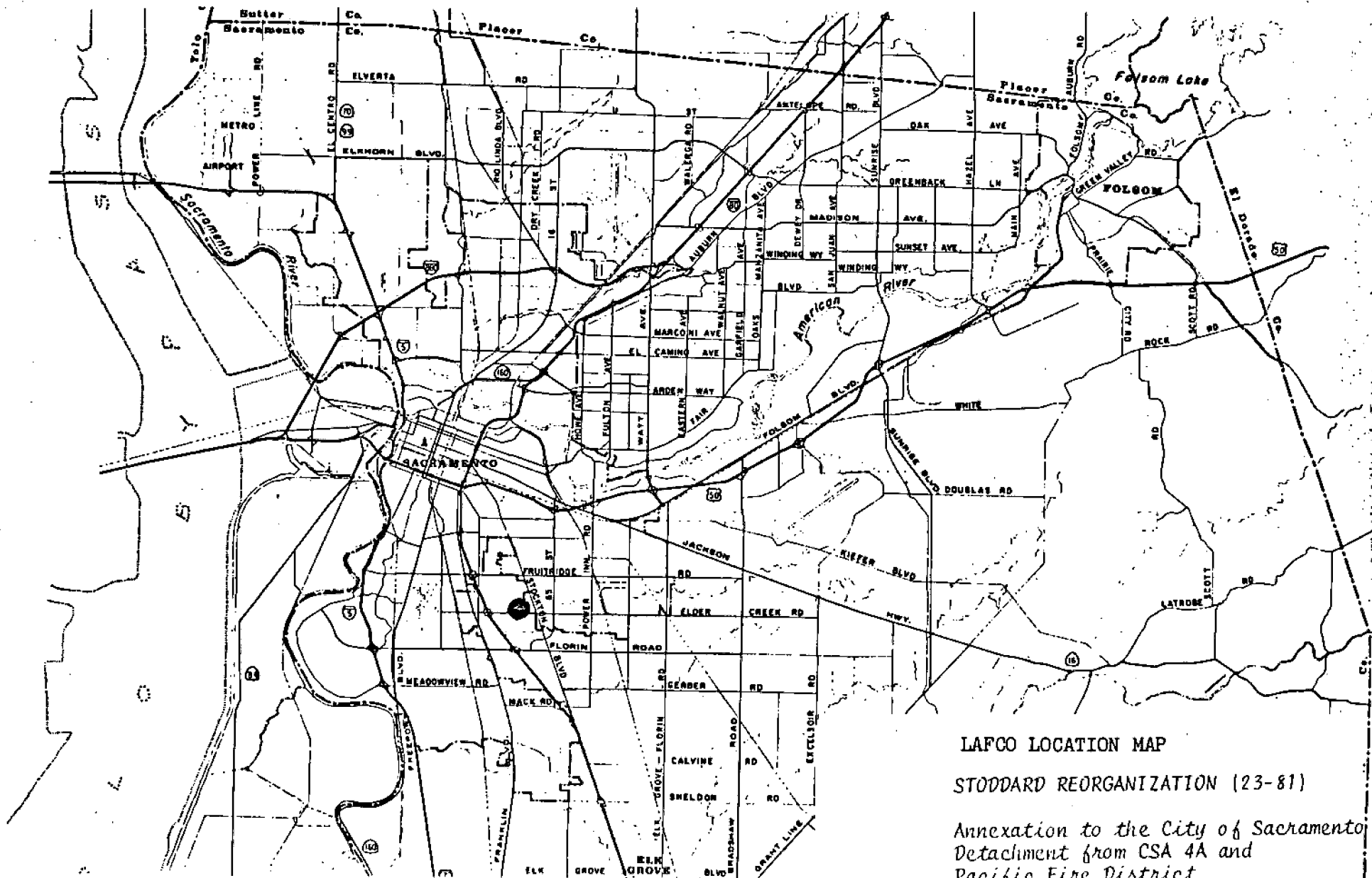
John S. Farrell  
Executive Officer



Janet D. Robinson  
Assistant Executive Officer

JDR:Ma6  
Attach.

cc: Richard Stoddard  
Pacific Fire District  
CSA 4A  
Fruitridge Vista Water Company



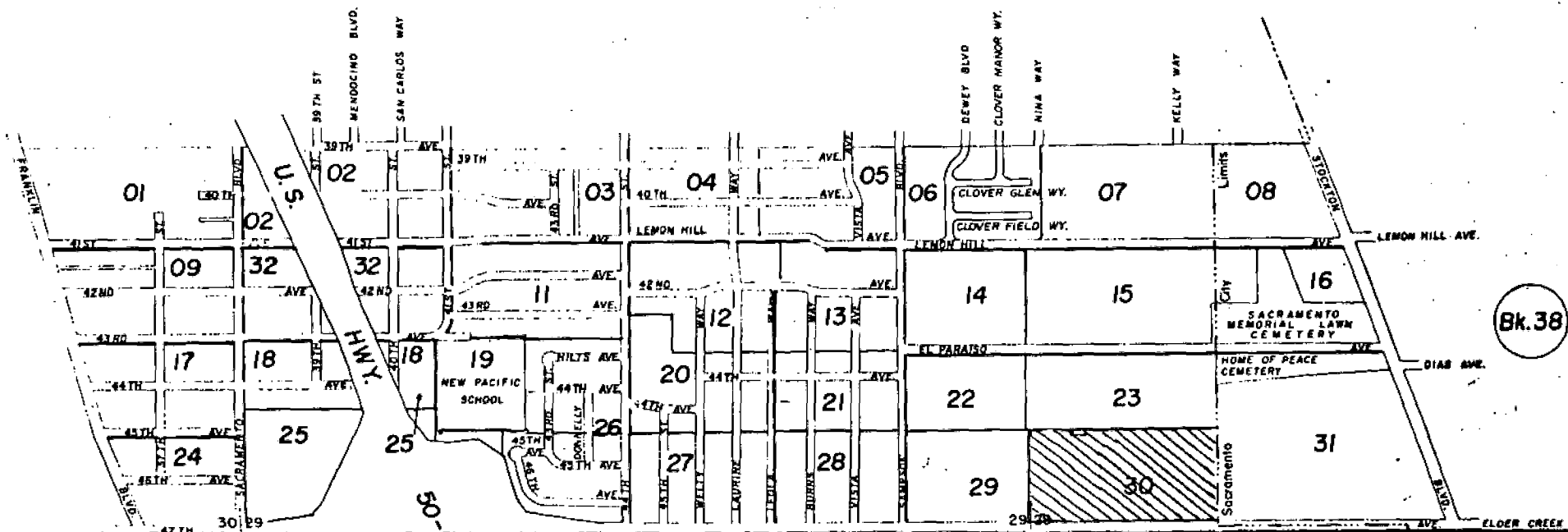
LAFCO LOCATION MAP

STODDARD REORGANIZATION (23-81)

Annexation to the City of Sacramento  
 Detachment from CSA 4A and  
 Pacific Fire District

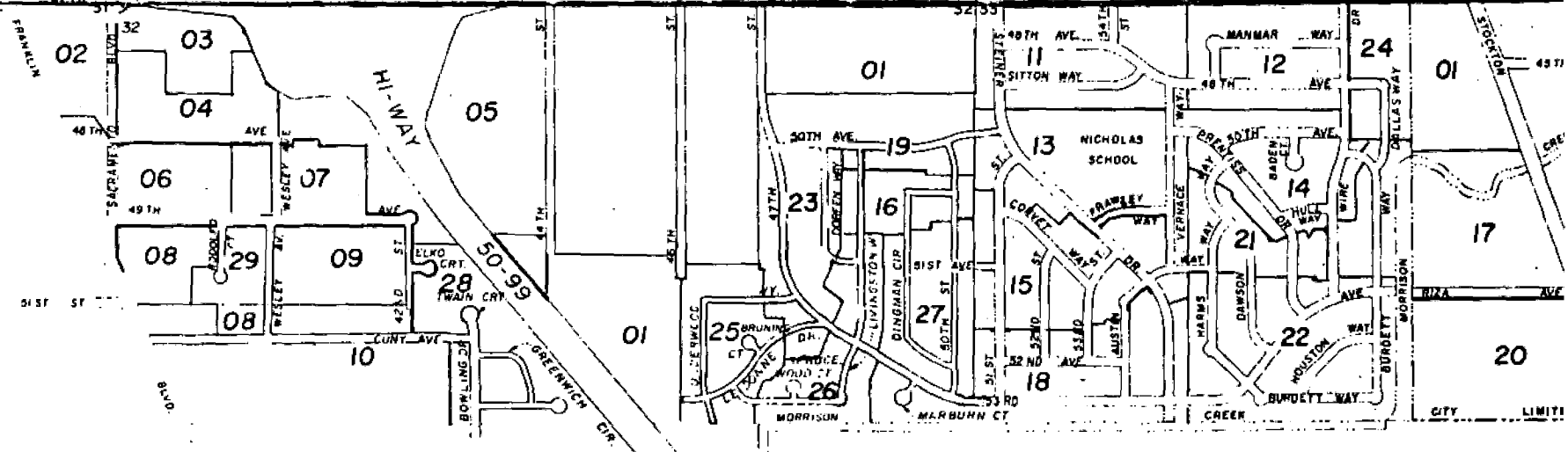
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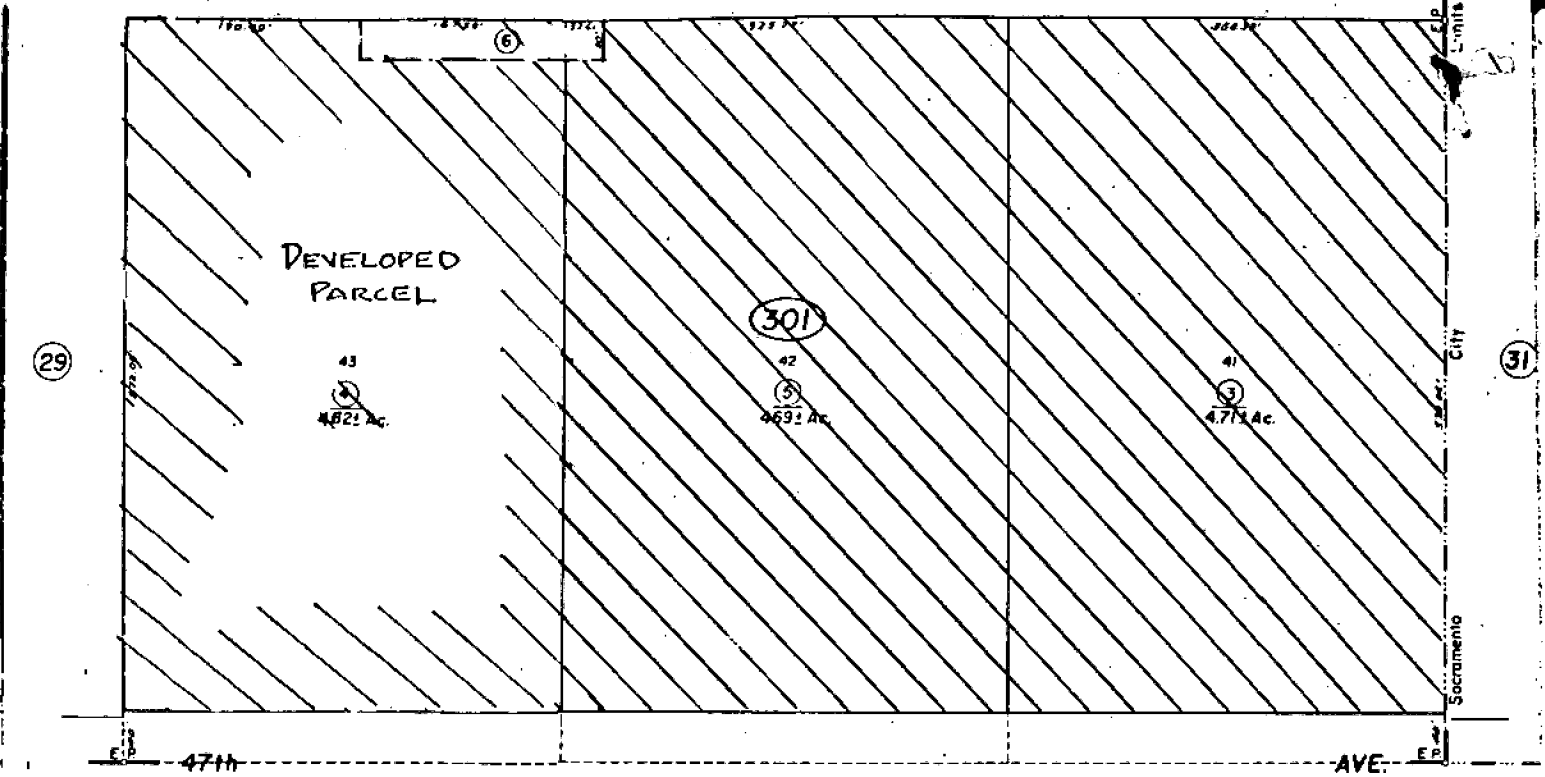


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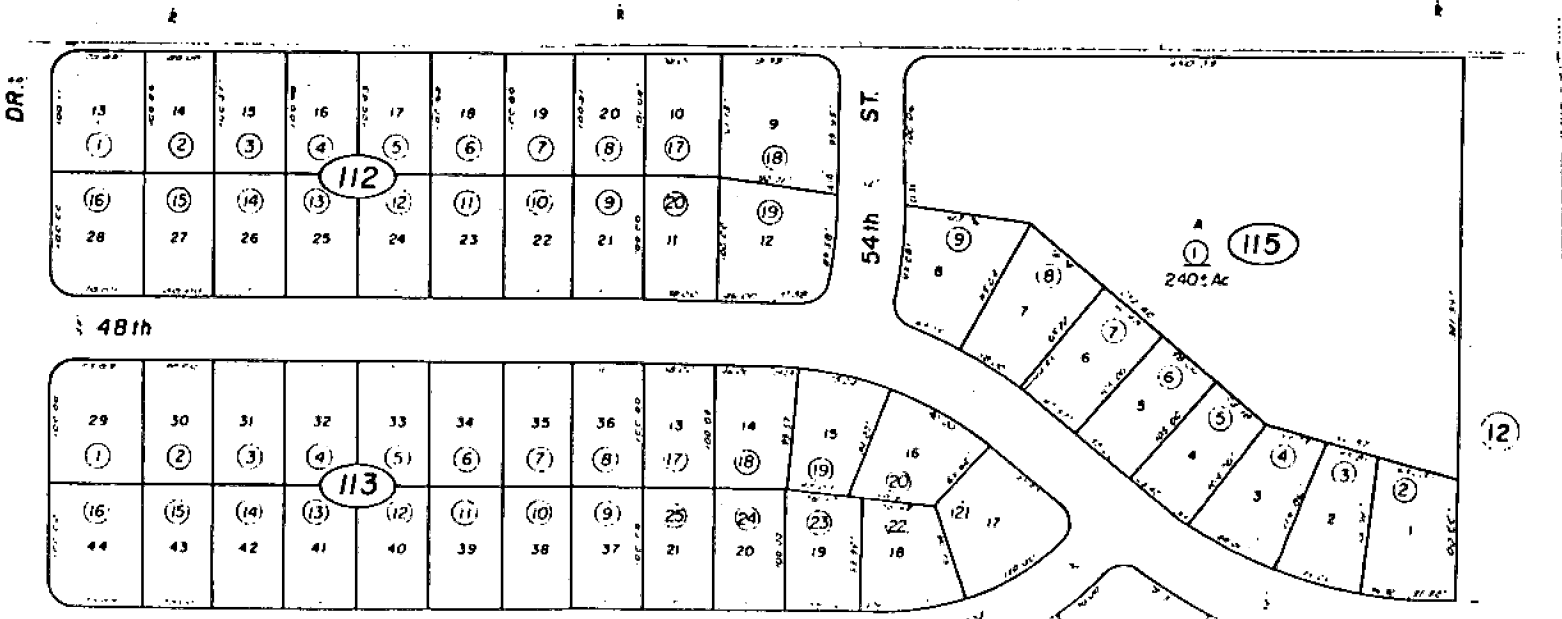
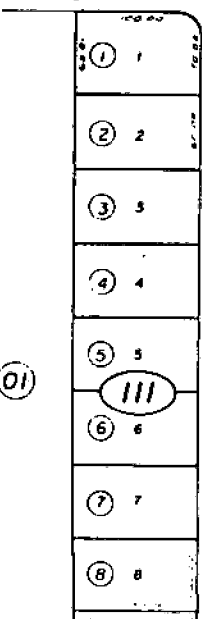
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# FRUITRIDGE VISTA WATER COMPANY

6455 FRANKLIN BLVD. SACRAMENTO, CALIFORNIA 95823 PHONE (916) 421-3970

October 23, 1981

John S. Farrell, Executive Office  
Sacramento Local Agency Formation Commission  
700 H Street, Suite 2430  
Sacramento, CA 95814

Re: Stoddard Construction  
Annexation to City of Sacramento (23-81)

Dear Mr. Farrell:

Reference is made to the above subject covered by your letter of October 19, 1981.

Please be advised that in the Sphere of Influence report we submitted September 29, 1981, the area in question was designated in our sphere of influence and was contiguous to the certificated area of this utility.

We herewith submit answers to your questions and respectfully protest the proposal for annexation for the following reasons:

1. An offsite 8" pipeline was installed by Stoddard Construction on the north side of 47th Avenue east of Steiner Drive and turned over to this utility for the operation of on-site facilities on lot 43, now occupied by 88 dwelling units which we are now serving.
2. Also, the on-site facilities of lot 43 were designed to intertie with future construction on lots 42 and 41 and then tie in to the off-site facilities on the east end of said off-site facilities. This was a requirement to meet this water utility's standards as well as that of the Pacific Fire District for fire flows.
3. Furthermore, and to reiterate, we do not believe that your "Request for a Statement from Affected Agency" is applicable to us. We are not an agency in the context that that term is generally used, but we are a public utility, subject to the regulations of the California Public Utilities Commission, (P.U.C.).

Under the rules and regulations of the P.U.C., the property in question is contiguous to our present certificated area, which permits us to serve the entire area. In fact, a start in that direction was made in

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1980 by Stoddard Construction Co. This installation was made under the provisions of the P.U.C.'s Main Extension Rule No. 15, and is subject to all the provisions of that rule.

In addition, if the property in question should be annexed to the City of Sacramento, it would be necessary for the City to install mains that would parallel our mains and would evoke Chapter 8.5, Service Duplication, of the Public Utilities Code.


We also note that the annexation would be contrary to several of the criteria and principals used in calculation of proposals, as set forth in Resolution No. LAFC 473.

Any changes of alignment of our facilities in that immediate area would adversely affect our service southward and, of course, hurt us financially, since we are not tax supported.

Again, we submit our protest.

Very truly yours,

FRUITRIDGE VISTA WATER COMPANY

  
Helmut H. Golitz, Sr.  
Secretary/Manager

HHG:r

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# Pacific Fire Protection District

FIRE CHIEF  
John W. Smith

3720 47th Avenue  
Sacramento, California 95824  
916/428-1324

DIRECTORS  
~~XXXXXXXXXXXX~~  
Frederick M. Gumz  
Lee J. Harry  
Stanley T. Rock  
Jack N. Sheldon

Mike P. Lopez

October 15, 1981

TO: John S. Farrell, Executive Officer  
Sacramento Local Agency Formation Commission

FROM: Board of Directors, Pacific Fire District

RE: Requested Statement for: Filed Proposal Stoddard  
Construction Company, annexation to City of  
Sacramento (23-81)

The official position of this Board is to formally protest the above proposal for detachment of the described property from this District.

Lots 41, 42, 43 as shown on the "Plat of El Paraiso" have approved plans by the construction of an apartment complex which is being developed in three phases. Phase I, Lot 43, has been completed consisting of 88 apartments, presently occupied.

The District position is that the territory proposed to be re-organized is inhabited in that, there are more than 12 registered voters residing in the subject territory.

Fiscally, the District has stabilized at a level of service which provides a high level of emergency fire and medical services. Detachment of the proposed territory would not only impact the remaining territory, but would also reduce the level of emergency service to the occupants within the proposed territory. Fire protection would be increased from approximately a two minute to an estimated 10-12 minute response time.

As a Board, we will actively protest detachment of the proposed territory.

Very truly yours,

STANLEY T. ROCK, PRESIDENT

BY:   
JOHN W. SMITH  
FIRE CHIEF

JWS:gr



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# COUNTY OF SACRAMENTO

## *Inter-Department Correspondence*

Date November 24, 1981

To : John S. Farrell, Executive Officer  
Sacramento Local Agency Formation Commission

From : Phillip A. McCoy, Recreation Supervisor  
County Service Area No. 4A (Fruitridge)

Subject : Stoddard Construction Company - Annexation  
to the City of Sacramento

County Service Area No. 4A Advisory Council wishes to voice their opposition to annexation of the Stoddard Construction Company property to the City of Sacramento. Said property is located between Sampson Boulevard and Stockton Boulevard on 47th Avenue.

The tax revenue generated from this property contributes to the financing of recreational services provided by County Service Area No. 4A. The Service Area currently provides recreational services on a minimum budget to its constituents. Any decrease in the financing of services will directly affect the Service Area's ability to provide the same level of services.

The Council is opposed to piecemeal deannexation of the Service Area. It is felt that such annexation is unsound, and would threaten the financial ability of the Service Area to provide recreational services.

Also, the Council is concerned about any zoning changes in that area. Although information to the contrary was not supplied, the Council is aware that homeowners in that area have been opposed to multi-family developments.

Should you have questions, please contact me at 422-7610.

PAM:ss